

**BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY**

MEETING DATE: 03/15/06

DIVISION: COUNTY ADMINISTRATOR

BULK ITEM: YES

DEPARTMENT: AIRPORTS

AGENDA ITEM WORDING: Approval of a contract amendment with the Morganti Group being entered into as a modification to the County's purchasing policies under the emergency provisions of the County Code for the hurricane damage repair of the Florida Keys Marathon Airport.

ITEM BACKGROUND: Please see attached memo from the County Attorney's Office.

PREVIOUS RELEVANT BOCC ACTION. Oct. 19, 2005 BOCC approved the award of the C.M. at Risk contract to the Morganti Group.

CONTRACT/AGREEMENT CHANGES: Allows the Morganti Group to perform the hurricane repairs at the Florida Keys Marathon Airport.

STAFF RECOMMENDATION: Approval

TOTAL COST: Up to \$4,000,000.

BUDGETED: Yes

COST TO AIRPORT: -0-

SOURCE OF FUNDS: FEMA/Insurance Proceeds: \$2,500,000

COST TO PFC: -0-

FAA

\$1,544,850

COST TO COUNTY: -0-

REVENUE PRODUCING: N/A

AMOUNT PER MONTH/YEAR:

APPROVED BY: County Attorney X

OMB/Purchasing X

Risk Management X

KEY WEST AIRPORT DIRECTOR APPROVAL



Peter J. Horton

DOCUMENTATION: Included X

To Follow

Not Required

AGENDA ITEM # \_\_\_\_\_

DISPOSITION: \_\_\_\_\_

/pjh



Expiration Date: Open

Contract Purpose/Description: Hurricane Damage Repair at the Florida Keys Marathon Airport

Contract Manager: Peter Horton  
(name)

# 3518  
(Ext.)

Airports - Stop # 5  
(Department/ Stop)

for BOCC meeting on: 3/15/06

Agenda Deadline: 2/28/06

### CONTRACT COSTS

Total Dollar Value of Contract: \$4,000,000.00

Current Year Portion: \$4,000,000.00

Budgeted? Yes

Account Codes: 0459105

Grant: Yes - FAA

County Match: None

### ADDITIONAL COSTS

Estimated Ongoing Costs: n/a  
(not included in dollar value above)

For: .  
(eg. maintenance, utilities, janitorial, salaries, etc.)

### CONTRACT REVIEW

	Date In	Changes Needed Yes No	Reviewer	Date Out
Airports Director	<u>3/8/06</u>	( ) <input checked="" type="checkbox"/>	<u>Peter Horton</u> for Risk Management	<u>3/8/06</u>
Risk Management	<u>3/8/06</u>	( ) <input checked="" type="checkbox"/>	<u>Peter Horton</u> for Risk Management	<u>3/8/06</u>
O.M.B./Purchasing	<u>1/1/</u>	( ) ( )	<u>Peter Horton</u> for OMB	<u>1/1/</u>
County Attorney	<u>3/8/06</u>	( ) <input checked="" type="checkbox"/>	<u>Peter Horton</u> County Attorney	<u>3/8/06</u>

Comments: \_\_\_\_\_



**BOARD OF COUNTY COMMISSIONERS**

Mayor Charles "Sonny" McCoy, District 3  
 Mayor Pro Tem Murray Nelson, District 5  
 George Neugent, District 2  
 David P. Rice, District 4  
 Dixie M. Spehar, District 1

Suzanne A. Hutton, Interim County Attorney\*\*

Robert B. Shillinger, Assistant County Attorney \*\*

Pedro J. Mercado, Assistant County Attorney

Susan M. Grimsley, Assistant County Attorney

Natileene W. Cassel, Assistant County Attorney

Jerry D. Sanders, Assistant County Attorney

**Office of the County Attorney**

PO Box 1026

Key West, FL 33041-1026

(305) 292-3470 - Phone

(305) 292-3516 - Fax

\*\* Board Certified in City, County & Local Govt. Law

TO: Board of County Commissioners

FROM: Pedro J. Mercado  
Assistant County Attorney

DATE: March 8, 2006

SUBJECT: Emergency Repairs to Marathon Airport

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The Marathon Airport terminal sustained major damage as a result of Hurricane Wilma flooding. Large areas of the terminal have been roped off where the tile flooring was destroyed and now presents a safety hazard. Mold is prevalent throughout the terminal and at least one car rental agency employee has reported illness due to mold. The consultant's air quality report has recommended removal of the drywall two feet above areas with mold infestation. The County's insurance consultant has estimated the cost of repairs and mold remediation to be approximately two million dollars. As a result of these safety and health hazards, the County Attorney's Office has recommended that no additional terminal space be leased. The current tenants will be relocated within the terminal as conditions and repairs allow. County Code Section 2-541 requires the County to competitively bid all contracts over \$25,000. Florida Statute Section 255.20 which regulates local bids and contracts for public construction work requires that the County competitively bid any contract seeking to construct or improve a public building. However, both the County Code and Florida Statute contain exceptions to the competitive bid requirement. Under Section 2-541(k)(1) the County may dispense with bidding procedures in the case of an emergency which is defined as:

- a. An immediate danger to the public health or safety; or
- b. A danger of loss of public or private property that requires immediate government action; or
- c. An interruption in the delivery of an essential government service; or
- d. A substantial risk that a funding source of a contract will be diminished or lost because the time required to competitively award bids after the funds become available exceeds the time within which the funding source must be spent.



Board of County Commissioners

March 8, 2006

Page Two

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Under Florida Statute 255.20(1)(c)1 the requirement for competitive bidding does not apply ;

1. When the project is undertaken to replace, reconstruct, or repair an existing facility damaged or destroyed by a sudden unexpected turn of events, such as an act God, riot, flood, fire, accident, or other urgent circumstances, and such damage or destruction creates:
  - a. An immediate danger to the public health or safety:

The Statute also provides an exemption under(1)(c)(5) When the project is undertaken as repair or maintenance of an existing public facility.

Under competitive bidding procedures, the County could anticipate a 6 month or more delay before addressing the health and safety concerns prevalent at the Marathon Airport.

Following a competitive bid, the County hired The Morganti Group to perform the renovation and expansion of the Key West Airport terminal. The Morganti Group has been contacted and is willing to undertake the repairs of the Marathon Terminal. In order to expedite the repair of the Marathon Airport the County should invoke the exemptions provided in both County Code and Florida Statute based on the immediate danger to public health and safety.



**AMENDMENT TO AGREEMENT BETWEEN MONROE COUNTY AND CONSTRUCTION  
MANAGER, THE MORGANTI GROUP, INC.  
KEY WEST INTERNATIONAL AIRPORT-  
NEW TERMINAL BUILDING AND RENOVATION PROJECT**

THIS AMENDMENT (hereinafter "Amendment") to the Agreement between the County and Construction Manager, The Morganti Group, Inc., for the Key West International Airport – New Terminal Building And Renovation Project (hereinafter "agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2006, by and between MONROE COUNTY, a political subdivision of the State of Florida (hereinafter "County"), and The Morganti Group, Inc., a corporation of the State of Florida, (hereinafter "The Morganti Group").

**WITNESSETH**

WHEREAS, on the 2<sup>nd</sup> day of November, 2005, the parties entered into an Agreement for the New Terminal Building and Renovation Project at the Key West International Airport; and

WHEREAS, on October 24, 2005 The Florida Keys Marathon Airport sustained major damage which is an immediate danger to the public health and/or safety as a result of Hurricane Wilma; and

WHEREAS, an air quality survey has shown that the Florida Keys Marathon Airport is infested with mold; and

WHEREAS, the Florida Keys Marathon Airport has tile flooring which has become loose and is crumbling and is a tripping hazard; and

WHEREAS, Florida Statute 255.20, which regulates bidding on public construction projects, contains exemptions to the requirement to competitively bid public construction projects when the project is undertaken to replace, reconstruct, or repair an existing facility damaged or destroyed by a sudden unexpected turn of events, such as an act of God, riot, flood, fire, accident, or other urgent circumstances, and such damage or destruction creates an immediate danger to the public health or safety; and

WHEREAS, Monroe County Code section 2-541(k)(1) contains an exemption to the County's bidding requirements and allows the County to dispense with bidding procedures in the case of an emergency such as where there is an immediate danger to the public health and safety; and

WHEREAS, The Morganti Group is available and willing to contract the necessary repair work;

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth below, the parties agree to amend the original Agreement as follows:

1. Section 1.2 is amended to read:

1.2 Extent of Agreement – This Agreement for Key West International Airport-New Terminal Building and Renovation Project (Project) and for The Florida Keys Marathon Airport Hurricane Damage Repair including but not limited to air terminal repair, airfield generator and vault repair/replacement and security fence and gates repair/replacement (Repair Work), between the County and the Construction Manager, supersedes any prior negotiations, representations or agreements. When drawings, specifications and other descriptive documents defining the work to be included under a construction authorization are substantially complete, they shall be identified in the construction authorization issued



by the Project Director. When drawings, specifications and other descriptive documents defining the work to be included in the guaranteed maximum price (GMP) are sufficiently complete, an Amendment to the Agreement shall be signed by the County and Construction Manager, acknowledging the GMP amount and the drawings, specifications and other descriptive documents upon which the GMP is based. To expedite the preparation of this GMP Amendment by the County, the Construction Manager shall obtain four (4) sets of signed, sealed and dated drawings, specifications, and other documents upon which the GMP is based from the Architect-Engineer, and shall acknowledge on the face of each document of each set that it is the set upon which he based his GMP and shall send one set of the documents to the County's Director of Facility Development along with his GMP proposal, while keeping one set for himself and returning one set to the Architect-Engineer, and one set to the Clerk of Courts for Monroe County. The GMP Proposal shall include the following sections:

<i>Section One:</i>	<i>Summary of Work</i>
<i>Section Two:</i>	<i>GMP Price Summary – To include Construction Authorization &amp; Tax Savings</i>
<i>Section Three:</i>	<i>Scope Clarifications and Assumptions</i>
<i>Section Four:</i>	<i>Detailed Estimate</i>
<i>Section Five:</i>	<i>Bid Tabulations and Recommendations</i>
<i>Section Six:</i>	<i>Preliminary Construction Schedule</i>
<i>Section Seven:</i>	<i>Contract Documents – Drawing List and Specification List</i>

**This Agreement shall not be superseded by any provisions of the documents for construction and may be amended only by written instrument signed by both the County and the Construction Manager.**

2. Section 1.4 is amended to read:

**1.4 County's Construction Budget (Project):** The County's funds budgeted and requested for construction of the Project. The County's Construction Budget is Twenty-five million (\$25,000,000.00) identified in Exhibit B, including all Construction Manager fees, costs of the work and the County's and Construction Manager's construction and interface contingencies as defined in Articles 8 and 9. This acknowledgement of the County's budgeted funds is not to be construed as the Construction Manager's Guaranteed Maximum Price. A Guaranteed Maximum Price will be offered by separate documentation as outlined in Article 7.

3. The following paragraph is appended to the Agreement between the County and Construction Manager and incorporated into the original agreement as paragraph 1.5

**1.5 County's Construction Budget (Repair Work):** The County's funds budgeted and requested for the hurricane damage repair work. The County's Hurricane Damage Repair Budget is approximately Four million (\$4,000,000.00), subject to final settlement with the County's insurance carrier, including all Construction Manager fees, costs of the work and the County's and Construction Manager's construction and interface contingencies as defined in Articles 8 and 9. This acknowledgement of the County's budgeted funds is not to be construed as the Construction Manager's Guaranteed Maximum Price. A Guaranteed Maximum Price will be offered by separate documentation as outlined in Article 7.

4. This subsection shall survive the cancellation or termination of this agreement, and shall be in full force and effect.

5. All other provisions of the November 2, 2005 original Agreement, not inconsistent herewith, shall remain in full force and effect.



IN WITNESS WHEREOF, each party has caused this Amendment to Agreement to be executed by its duly authorized representative.

(SEAL)  
ATTEST: DANNY L. KOLHAGE, CLERK

BOARD OF COUNTY COMMISSIONERS  
OF MONROE COUNTY, FLORIDA

By \_\_\_\_\_  
Deputy Clerk

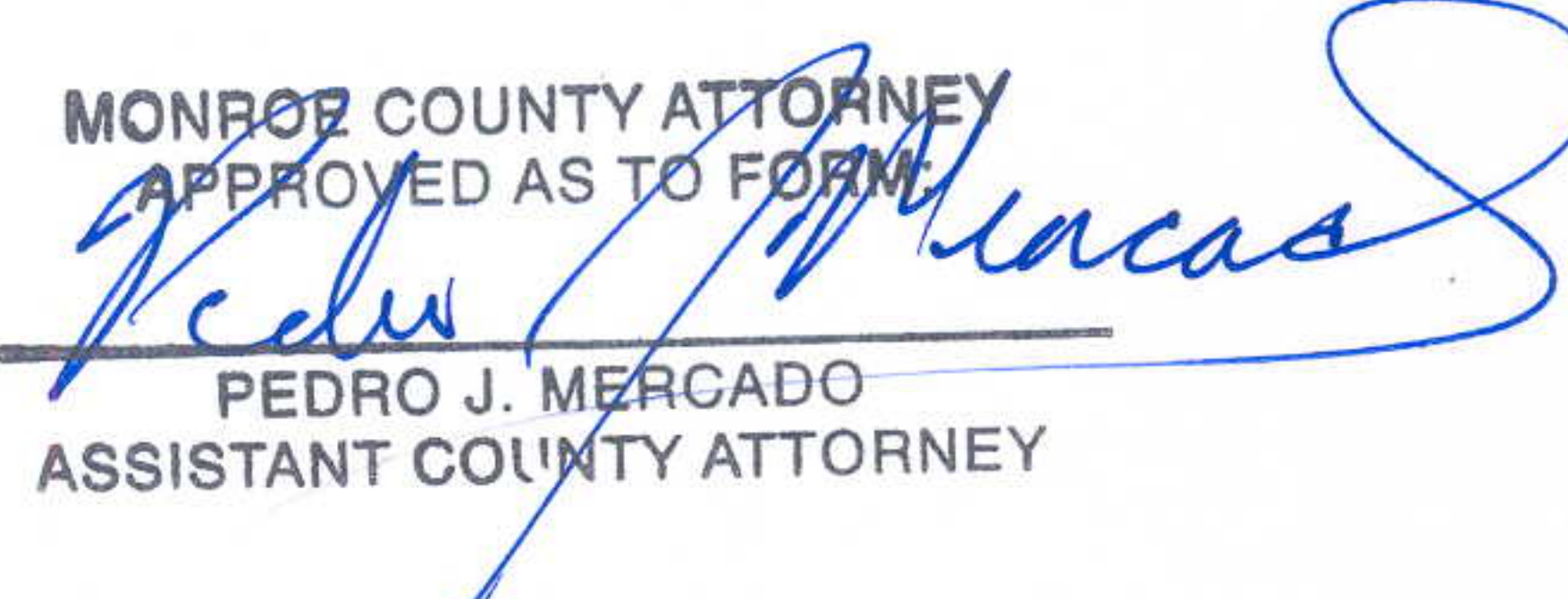
By \_\_\_\_\_  
Mayor/Chairman

ATTEST:

THE MORGANTI GROUP, INC.

By \_\_\_\_\_  
Title \_\_\_\_\_

By \_\_\_\_\_  
Title \_\_\_\_\_

MONROE COUNTY ATTORNEY  
APPROVED AS TO FORM:  
  
\_\_\_\_\_  
PEDRO J. MERCADO  
ASSISTANT COUNTY ATTORNEY